VZCZCXRO2624 PP RUEHLMC DE RUEHLP #1556 1591840 ZNY CCCCC ZZH P 081840Z JUN 06 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 9507 INFO RUEHAC/AMEMBASSY ASUNCION 5905 RUEHBO/AMEMBASSY BOGOTA 3218 RUEHBR/AMEMBASSY BRASILIA 7066 RUEHBU/AMEMBASSY BUENOS AIRES 4322 RUEHCV/AMEMBASSY CARACAS 1613 RUEHPE/AMEMBASSY LIMA 1605 RUEHMN/AMEMBASSY MONTEVIDEO 3831 RUEHQT/AMEMBASSY QUITO 4247 RUEHSG/AMEMBASSY SANTIAGO 8793 RHMFISS/HQ USSOUTHCOM MIAMI FL RUMIAAA/USCINCSO MIAMI FL RUEHLMC/MILLENNIUM CHALLENGE CORP RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RHEHNSC/NSC WASHINGTON DC

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TAGS: ECON PGOV PREL BL

SUBJECT: ONE PREFECT WORRIES ABOUT FUTURE OF REGIONAL GOVERNMENT

Classified By: Ambassador David N. Greenlee for reasons 1.4 (b) and (d)

- 11. (C) Summary: Cochabamba prefect (governor) and former presidential candidate Manfred Reyes Villa told the Ambassador on June 7 that he believes President Morales will hold national elections following the Constituent Assembly in order to consolidate control over Bolivia's prefects, and will also attempt to co-opt the judiciary, which he described as the only other remaining independent government institution. As a counterbalance to the central government, Reyes Villa suggested that the USG increase its support for opposition prefects. He continues to resist pressure from the Morales government to participate in government-sponsored events showcasing Cuban and Venezuelan aid. End Summary.
- 12. (C) Cochabamba prefect and former presidential candidate Manfred Reyes Villa told the Ambassador on June 7 that he believes Morales will hold national elections following the Constituent Assembly in order to consolidate control over Bolivia's prefects. He said that Morales feels threatened by the prefects, who are "the pebble in his shoe." He thought Morales would attempt to weaken regional governments by replacing the current slate with prefects the MAS can control. Reyes Villa also believed Morales would continue to attempt to co-opt the judiciary, the only other remaining independent state power.
- 13. (C) Reyes Villa urged the USG to decentralize its relationship with the Morales government and increase support for opposition prefects and other local leaders. He stated that, unlike the national government, he and other locally-elected leaders are committed to a healthy relationship with the Embassy, and urged the Embassy to cultivate such relationships. He believed Morales had lost some credibility among his base in Cochabamba because of his inconsistent positions on autonomy and land reform. Reyes Villa noted that even though the MAS enjoys high levels of support in Cochabamba, Morales was delivering little more than populist rhetoric. Reyes Villa said that his constituents, including MAS supporters, recognize that he is responding to the needs of the people.
- $\P4$ . (C) Reyes Villa said he continues to resist pressure from

the Morales government to participate in events highlighting Cuban and Venezuelan aid. He cited his reluctance to inaugurate a hospital where Cuban doctors are to provide services and his rejection of an invitation to visit Venezuela along with his fellow prefects. He noted, however, that at least two prefects, from Oruro and Chuquisaca, had already visited Venezuela. Reyes Villa said he looked forward to participating in an Embassy-sponsored trip to the United States along with the other eight prefects in July.

15. (C) Comment: Reyes Villa remains tarnished nationally by his association with the Sanchez de Lozada government, but, as Cochabamba prefect, he is an important regional counterbalance to the Morales government. We will continue to look for ways to support him and his prefectural counterparts. End comment.

GREENLEE